

FDIC Research Resources – Financial Services Use of Youth and Young Adult Households

Youth Savings Pilot Symposium

October 21, 2016

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FDIC Division of Depositor and Consumer Protection

FDIC National Survey of Unbanked and Underbanked Households -- Overview

- Conducted every other year since 2009 as a supplement to the Census Bureau's Current Population Survey
- Measure household participation in the banking system and household use of non-bank financial services
- Sample Size and Response Rate
 - 2015: About 36,000 households (69% of base CPS respondents, 59% overall)
- Large sample size allows us to:
 - Describe how experiences differ across different groups of the population
 - Produce reliable measurements for the nation and for each of the 50 states and the District of Columbia, and for larger MSAs

Unbanked and Underbanked Rates

- In 2015, 7.0 percent of U.S. households were unbanked
 - Approximately 9.0 million U.S. households were unbanked. These households were made up of:
 - 15.6 million adults and
 - 7.6 million children
- An additional 19.9 percent of U.S. households were underbanked in 2015
 - Approximately 24.5 million U.S. households were underbanked. These households were composed of:
 - 51.1 million adults and
 - 16.3 million children

Youth and Young Adult Bank Account Ownership

- In the FDIC National Survey of Unbanked and Underbanked Households, we can observe bank account ownership for each member of a household aged 15 or older
 - Among banked households with children aged 15-17
 - At least one child aged 15-17 has a savings account in 21.3% of these households
 - At least one child aged 15-17 has a checking account in 15.3% of these households
- Unbanked rates decline as the age of householder increases
 - Householder aged 15 to 24: unbanked rate = 13.1 percent
 - Householder aged 25 to 34: unbanked rate = 10.6 percent
 - Householder aged 35 to 44: unbanked rate = 8.9 percent

Building Familiarity with Banks and the Banking System

- In focus groups that the FDIC conducted with unbanked, underbanked and low-and-moderate income consumers and with consumer financial counselors in 2015:
 - A number of consumers and counselors discussed these consumers' lack of familiarity with banks and the banking system as an important reason that they are either unbanked or underbanked

“Most of our clients don’t have an association with a bank, [but] they’ve been using [name of check casher] for years and years . . . ‘My mother did it, my father did it. My friends did.’ So they go there.” – Consumer Counselor

“My clients [have] different ways of thinking about banks. I feel like younger people, whether their parents are from another country or whether they grew up here, they’re often paranoid about [banks] . . . They just think that the bank is a bad institution, and they want to stay away from it . . . Often, it’s just a lack of knowledge or just like they don’t understand it, so they just shy away. They’re, like, check casher is the people they know ...” – Consumer Counselor

Financial Transactions in a Typical Month – Young Adult Households

- New questions in the 2015 FDIC National Survey of Unbanked and Underbanked Households that ask about the ways that households pay for bills and receive income in a typical month over the past 12 months
- All Methods Used to Pay Bills in a Typical Month :

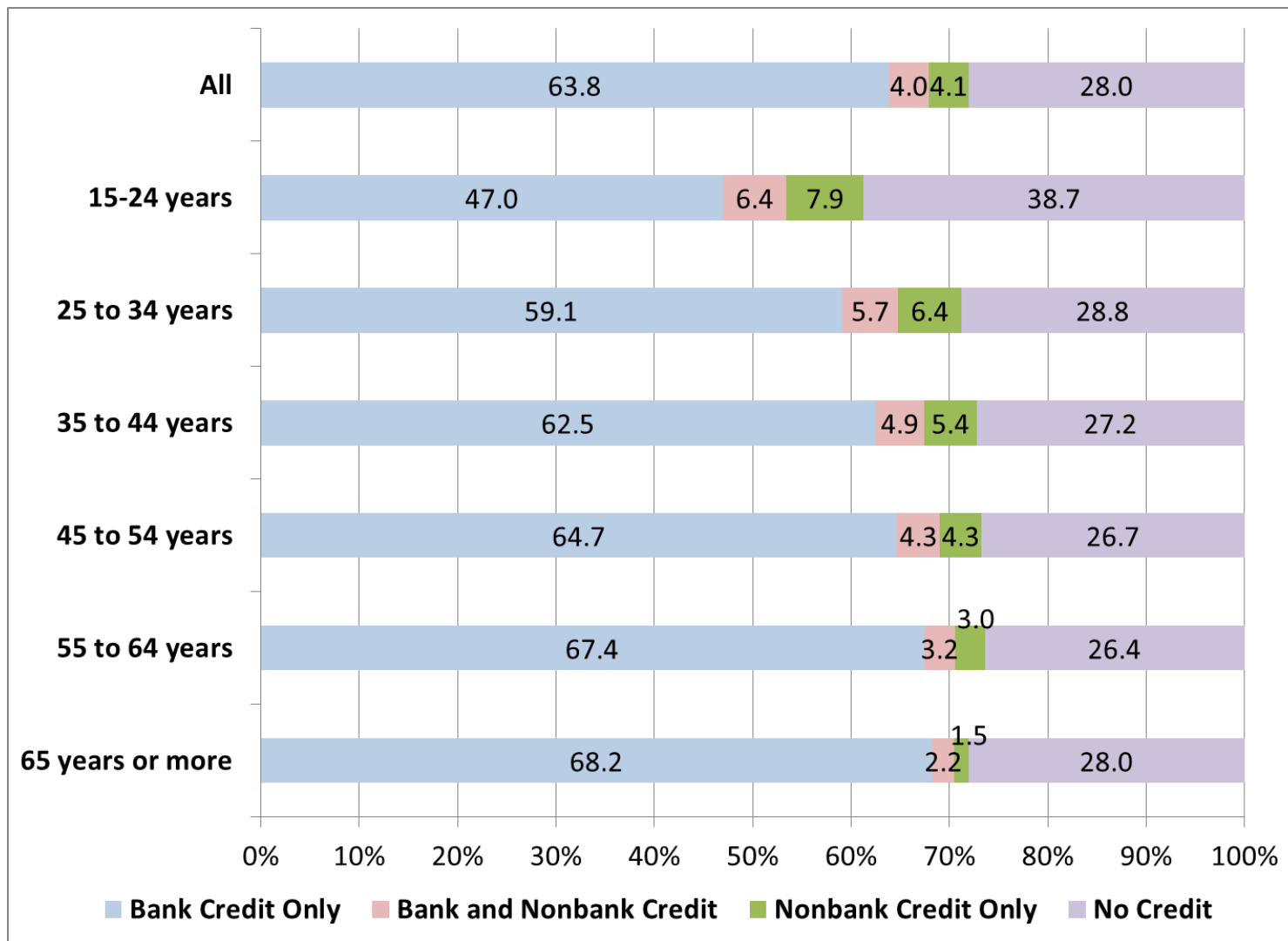
	All Households	15-24 years
No. of Households (1000s)	116,131	5,884
Cash (percent)	16.7	27.1
Nonbank Money Order (percent)	7.6	15.1
Bank Money Order or Cashier's Check (percent)	5.7	11.1
Any Bank Method (percent)	91.4	85.5
Only Bank Methods (percent)	75.5	60.3

Financial Transactions in a Typical Month – Young Adult Households (cont'd)

- All Methods Used to Receive Income in a Typical Month :

	All Households	15-24 years
No. of Households (1000s)	116,131	5,884
Paper check or money order (percent)	29.1	37.6
Cash (percent)	8.2	14.0
Used nonbank check casher (percent)	2.1	5.2
Any bank method (percent)	88.5	80.9
Only bank methods (percent)	79.2	66.6

Young Adult Households – Bank and Nonbank Credit



Young Adult Households – Applications and Potential Ability to Qualify for Bank Credit

	Applied for Bank Credit (Percent)	Denied Bank Credit (Percent)	Discouraged about Applying for Bank Credit (Percent)	Fell Behind on Bills (Percent)
All	13.9	2.8	6.1	16.9
15-24 years	16.6	5.4	10.2	20.8
25 to 34 years	17.8	4.3	9.3	22.0
35 to 44 years	16.9	3.7	7.3	21.7
45 to 54 years	15.8	2.9	6.9	19.7
55 to 64 years	12.7	2.2	4.9	16.0
65 years or more	7.9	0.9	2.4	7.6

www.economicinclusion.gov

The screenshot shows the homepage of www.economicinclusion.gov. The header includes the site name and the FDIC logo. Navigation tabs are provided for 'WHAT IS ECONOMIC INCLUSION?', 'SURVEYS & DATA', 'INITIATIVES' (which is selected), 'RESOURCES', and 'NEWS AND UPDATES'. The main content area features a map of the United States on the left and text on the right about the '2015 FDIC National Survey of Unbanked and Underbanked Households'. Below the map is a 'SELECT GEOGRAPHY' section with buttons for 'NATION', 'REGION', 'STATE', and 'MSA'. Further down, there are sections for 'VIEW STATE DATA' with a dropdown menu, 'COMPARE AREAS' with a button, 'CREATE CUSTOM DATA TABLES' with a button, '2015 SURVEY RESULTS' with a summary and links to reports, and 'RELATED RESEARCH' with news items and links to reports.

ECONOMICINCLUSION.GOV

FDIC

WHAT IS ECONOMIC INCLUSION? SURVEYS & DATA INITIATIVES RESOURCES NEWS AND UPDATES

2015 FDIC National Survey of Unbanked and Underbanked Households

To assess the inclusiveness of the banking system, and in partial fulfillment of a statutory responsibility, the FDIC conducts biennial surveys of households to estimate the proportion of households that do not fully participate in the banking system.

The 2015 FDIC National Survey of Unbanked and Underbanked Households presents new data and insights on the size of unbanked and underbanked markets at the national, regional, state, and large metropolitan statistical area (MSA) levels. This is the fourth installment of the report.

EXPLORE 2015 SURVEY --

SELECT GEOGRAPHY: NATION REGION STATE MSA

VIEW STATE DATA
Please Select One
VIEW >

COMPARE AREAS
COMPARE DIFFERENT AREAS >

CREATE CUSTOM DATA TABLES
Explore the full data set for the FDIC National Survey of Unbanked and Underbanked Households. Create custom tables based on year, geography, topic and other variable filters.
CREATE CUSTOM DATA TABLE --

2015 SURVEY RESULTS
In 2015, the FDIC conducted the fourth biennial survey of unbanked and underbanked household and the efforts of banks to serve these populations. See the full findings here.
2015 Executive Summary - PDF (PDF Help)
2015 Report - PDF (PDF Help)
2015 Appendix Tables - PDF (PDF Help)

RELATED RESEARCH
NEW! The FDIC conducted qualitative research regarding mobile financial services.
READ THE REPORT --
NEW! The FDIC conducted qualitative research regarding bank efforts to increase financial inclusion.
READ THE REPORT --

- Tools
 - Custom data table tool
 - Compare tool
- Data page
 - Datasets (yearly and multiyear)
 - Data documentation
- Subscribe to FDIC updates

Children's Savings Accounts: Hope in Concrete Form

Andrea Levere, President CFED

FDIC Youth Savings Conference, October 21, 2016



Who We Are

Our mission at CFED is to make it possible for millions of people to achieve financial security and contribute to an opportunity economy.

Campaign for Every Kid's Future



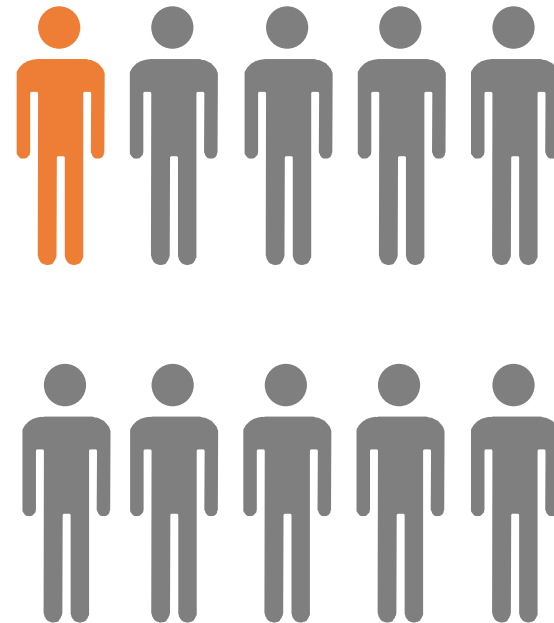
Join today to help achieve our vision of
1.4 million Children's Savings Accounts by 2020!

savingsforkids.org

The Challenge

Too many young people miss out on a college education

- Less than 1 in 10 young adults from low-income households have a bachelor's degree by their mid-20s



Source: *Indicators of Higher Education Equity in the United States*. (Washington, DC: The Pell Institute, 2015).

What are CSAs?

- **Long-term** savings or investment accounts for children (0-18)
- Usually used for **postsecondary education** (or other asset purchase such as homeownership or entrepreneurship)
- Provide **incentives** to build savings (e.g., seed deposit and matches)
- Account withdrawals are **restricted**

How do CSAs Work?



OPEN ACCOUNT

Accounts—opened as early as birth or kindergarten—are seeded with initial deposits.



GROW SAVINGS

Accounts grow through family contributions and incentives, such as savings matches.



ATTEND COLLEGE/ TRAINING

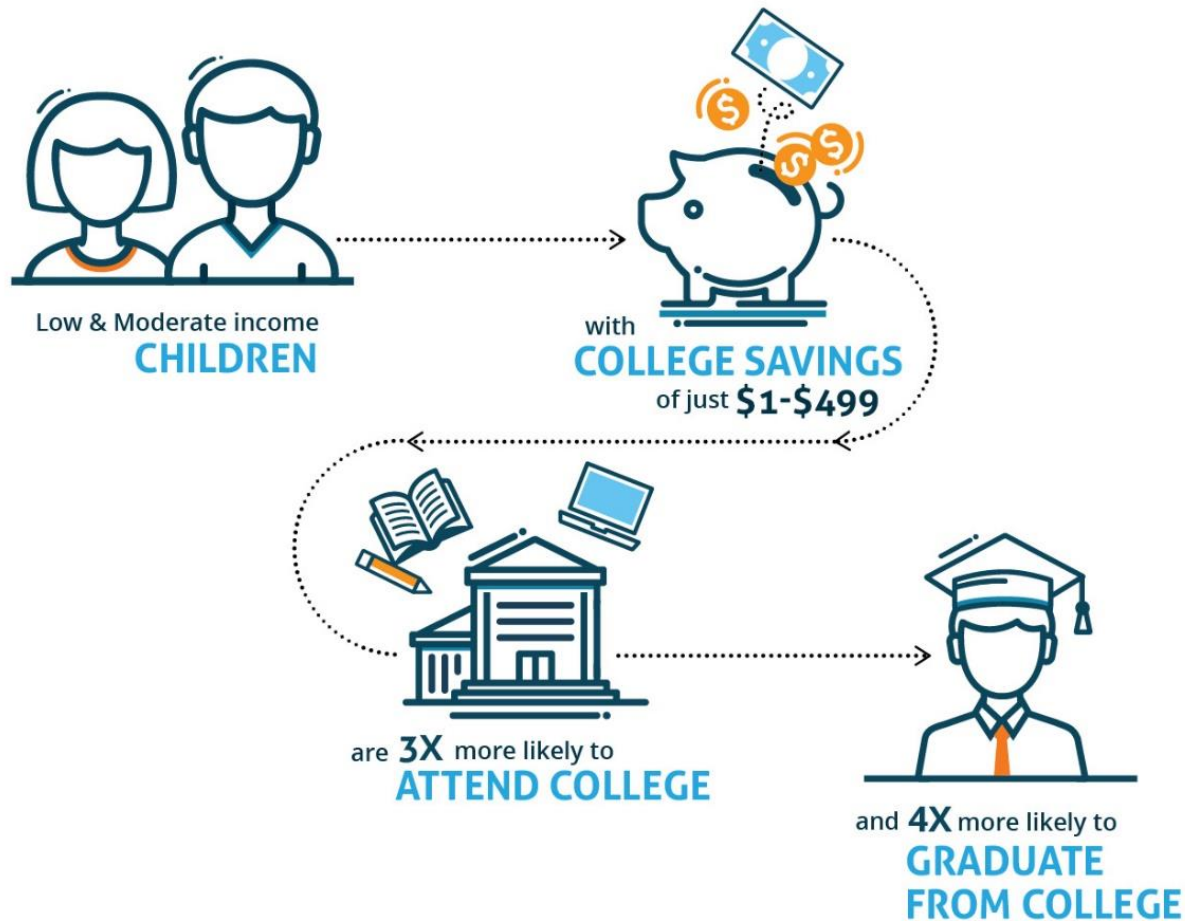
Savings help pay for postsecondary education.



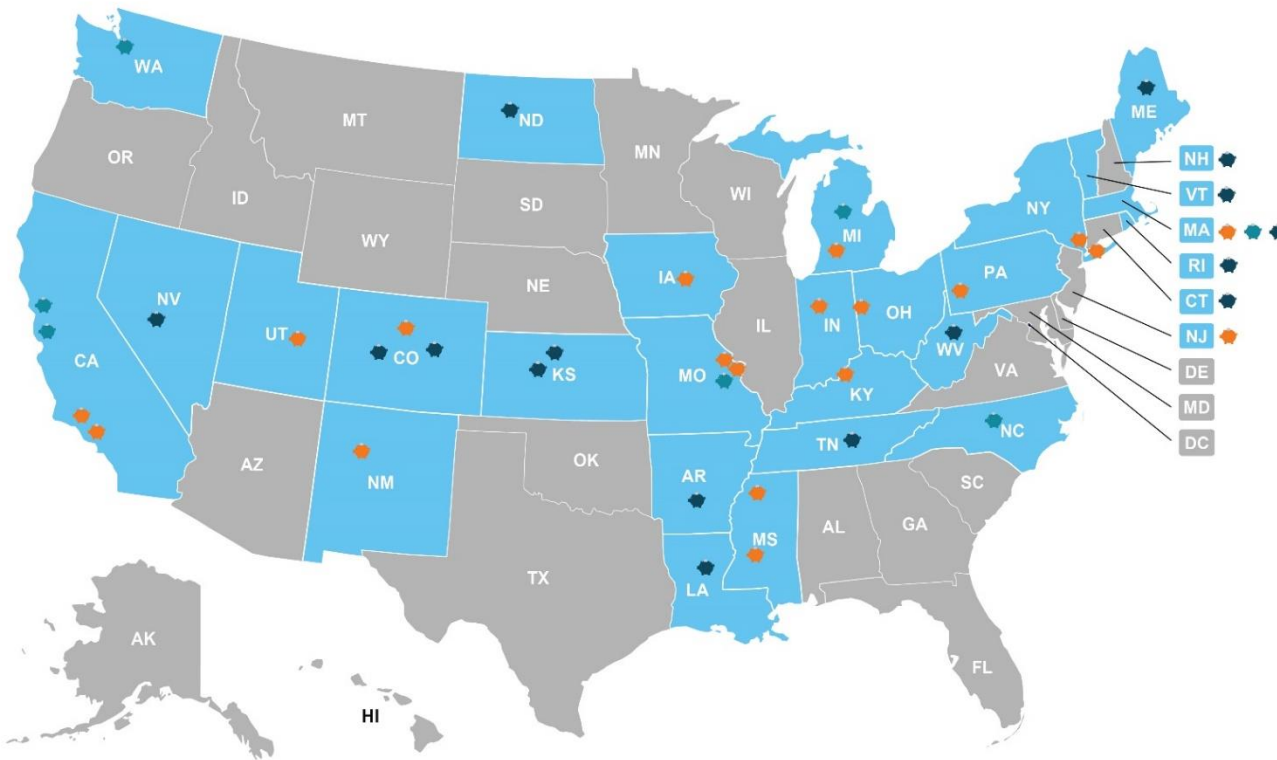
GRADUATE

Children with a college account with \$500 or less are 4x more likely to graduate.

What Impact do CSAs Have?



Where are CSA Programs?



State CSA Program



Municipal CSA Program



Private CSA Program

Updated July 2016

State CSA Programs

- ME Alfond College Challenge
- NV College Kick Start
- RI CollegeBoundbaby

Municipal CSA Programs

- San Francisco (CA) Kindergarten to College
- St. Louis (MO) College Kids
- Lansing (MI) SAVE

Private CSA Programs

- "I Have a Dream" Foundation (NY, CO, IA)
- Inversant (MA)
- Promise Indiana

Example – College Kids (St. Louis, MO)

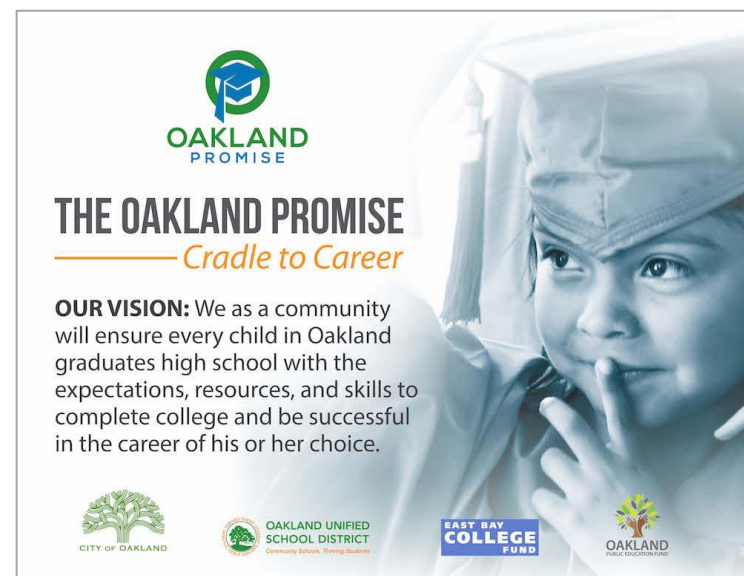
- Launched in fall 2015
- Target population - every kindergartner in St. Louis public and charter schools
- Automatic account opening
- \$50 initial deposit
- Other incentives:
 - Savings matches
 - Bonuses for perfect weekly attendance



Example – Oakland Promise

Brilliant Baby

- Launching in early 2017
- Two-generation strategy
- Target population – babies and their parents in low-income households participating in home visiting program
- \$500 initial deposit for baby
- Parent account with matching incentives and rewards, plus financial capability services



Program success factors



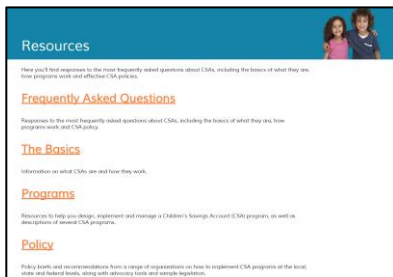
- **Automatic enrollment**
- **Universality**
- **Public sector support**
- **Multiple funding sources**
- Matched savings opportunities
- Progressive incentive structures
- Multiple deposit options
- Family and child engagement strategies

CSA Resources



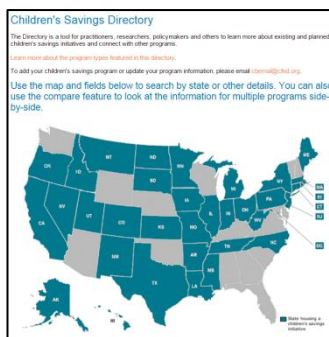
Investing in Dreams

cfed.org/programs/csa/investing_in_dreams.pdf



Campaign for Every Kid's Future – Resource Page

<http://savingsforkids.org/resources>



CSA Information & Directory

cfed.org/programs/csa



SINCE 1902

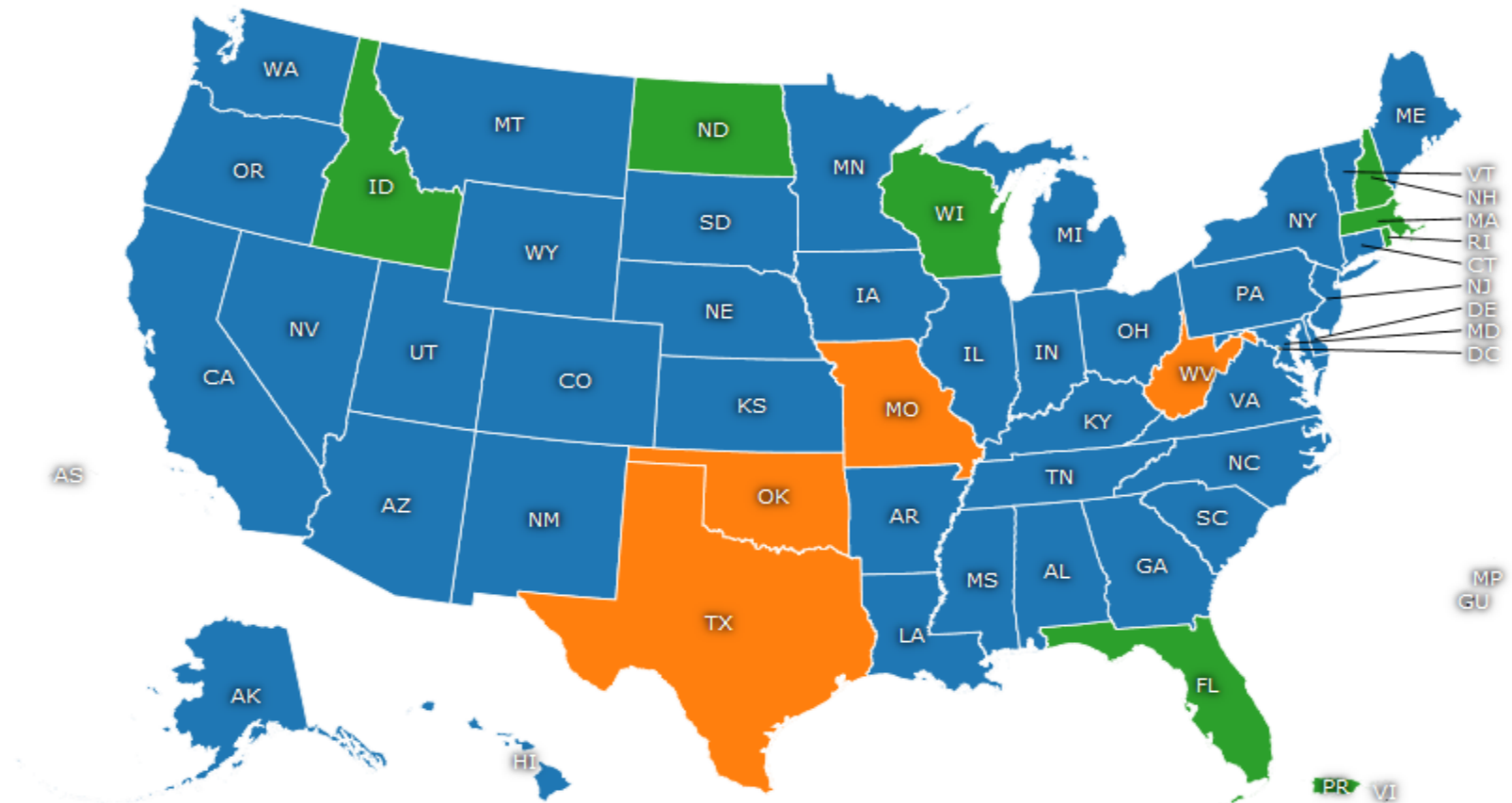
CONFERENCE OF STATE BANK SUPERVISORS

Research Resources: State Law Treatment of Youth Savings Accounts

**John Ryan
President and Chief Executive Officer**

**FDIC Youth Savings Pilot Symposium
October 2016**

43 States Allow by Statute Youth Savings Accounts



■ Not specifically addressed by state law
■ Yes and Limited
■ Yes and Permitted

CSBS Web Site Contains Statutory Information

Statutory Requirements for



Virginia Bureau of Financial Institutions



Banking Department
Virginia Bureau of Financial
Institutions

Department Website
www.scc.virginia.gov/bfi.index.aspx

Account Type
Deposit Accounts

Up to what age is the provision applicable?

Applicable Citation(s) from your state's law, regulations, or other guidance.

More information on Statute/Regulation/Other Guidance

§ 6.2-896. Deposits of minors.—banks A bank may establish a deposit account for a minor as the sole and absolute owner of such account. The bank may receive deposits by or for such minor, honor any withdrawal request of the minor, and act in any other manner with respect to such account on the minor's order. Any payment or delivery of funds from such account to the minor, or the payment of a check or other written order for withdrawal of funds signed by such minor owner, shall be a valid and sufficient release and discharge of such bank for any payment or delivery so made. The parent or guardian of such minor shall not in his capacity as parent or guardian have the power to withdraw or transfer funds in any such account unless the minor has given written notice to the bank to accept the signature of such parent or guardian. § 6.2-1172. Accounts issued in name of minor.—savings institutions A savings institution may issue accounts to a minor as sole and absolute owner of the account. With respect to any such account, a savings institution may (i) receive deposits by or for the minor owner, (ii) pay withdrawals, (iii) accept pledges to the association, and (iv) act in any other manner with respect to such accounts on the order of the minor owner. Any payment or delivery of funds from such account to its owner, or payment of a check or other written order for withdrawal signed by its minor owner, shall be a valid and sufficient release and discharge of the institution for any payment or delivery so made. The parent or guardian of the minor owner shall not in his capacity as parent or guardian have the power to withdraw or transfer funds in any such account unless the minor has given written notice to the association to accept the signature of such parent or guardian. § 6.2-1362. Minors' accounts. A credit union may issue shares in the name of a minor as the sole and absolute owner of such shares and may accept the purchase of such shares by and for such owner, pay withdrawals from such share accounts, and act in any other manner with respect to such share accounts on the order of such minor. Any withdrawal of shares or delivery of funds from such account to the owner thereof, or payment of a share draft or other written order for withdrawal signed by such minor owner, shall be a valid and sufficient release and discharge of the credit union for any payment, withdrawal, or delivery so

Not specifically addressed by state law
Yes and Limited
Yes and Permitted

What You Can Find on CSBS Web Site

- **Statutory citation and text**
- **Web link to statute**
- **Age of applicability**
- **Limitations in statute (parental consent)**
- **Specific requirements for custodial vs. non-custodial accounts**
- **Exemptions (e.g., bank filing requirements)**
- **Information on bank-at-school programs**



NATIONAL ENDOWMENT FOR
FINANCIAL EDUCATION

Partnering for Financial Well-Being

What Works in Financial Education

Ted Beck
October 21, 2016

Some History

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- ❑ University of Wisconsin-Madison Study (2009)
- ❑ Teachers Lack Training
- ❑ Training on Programs vs Core Knowledge
- ❑ NEFE Quarter Century Project (2011)
- ❑ Lack of Quality Standards

Research

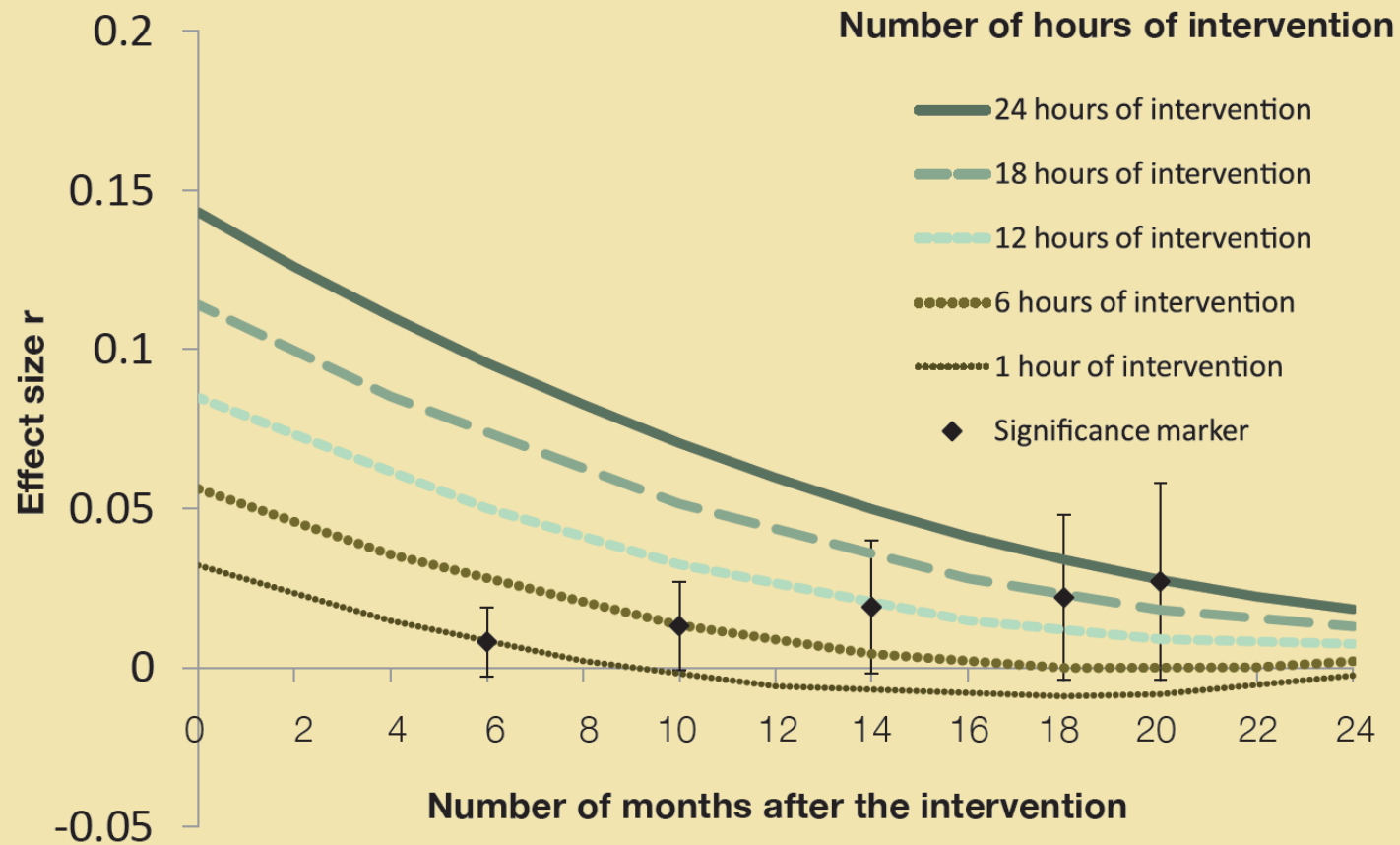
29

- ❑ *Examining Financial Education: How Literacy and Interventions Affect Financial Behaviors* (University of Colorado-Boulder, 2013)
- ❑ *State Financial Education Mandates: It's All in the Implementation* (FINRA Foundation, 2015)
- ❑ *Prepped for Success: A Study of Teacher Training, Financial Literacy & Classroom Outcomes* (Champlain College, 2015)
- ❑ **Takeaway: The amount, timing and quality of financial education matters.**

The Amount, Timing and Quality of Financial Education Matters

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The Case for Timely Financial Education



Recent Progress

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- ❑ President's Advisory Councils
- ❑ State Mandates
- ❑ Jump\$tart Quality Standards (2015)
- ❑ Teacher Training
- ❑ Expanded Resources
 - University of Arizona MoneyTeach
- ❑ CFPB Youth Financial Capability Building Blocks (2016)

Five Key Factors for Effective Financial Education

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- ❑ Well-trained Educator (tested e-learning protocol)
- ❑ Vetted/Evaluated Program Materials
- ❑ Timely Instruction
- ❑ Relevant Subject Matter
- ❑ Evidence of Impact (Evaluation)

What's Next

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- ❑ Broader Program Evaluation
 - Evaluation Toolkit (2016)
 - NEFE High School Financial Planning Program Evaluation (2017)
- ❑ Expand Teacher Training
 - Online (2017)
 - Pre-service?
- ❑ Longitudinal Research on What Works
- ❑ Financial Education as a Continual Process

Building blocks to help youth achieve financial capability and adult financial well-being

Gail Hillebrand, CFPB Associate Director for Consumer Education and Engagement



Our goals

Our goal

Support and empower youth stakeholders to expand access and improve financial education for youth

What this means for youth

Youth gain skills, knowledge, habits, and attitudes to be an empowered consumer to make better money choices

How we support financial capability

3 areas of focus

Leaders

(Support education and community leaders)

Practitioners

(Support teachers, educators, leaders of programs)

Parents

(Engage and empower parents and caregivers)

The four elements of adult financial well-being

- CFPB created a first ever consumer-driven definition of personal financial well-being for adults
- Our research suggests that there are four elements of financial well-being:

	Present	Future
Security	Control over your day-to-day, month-to-month finances	Capacity to absorb a financial shock
Freedom of choice	Financial freedom to make choices to enjoy life	On track to meet your financial goals

The CFPB Financial Well-Being Scale

Questions	Response Options
<p>How well does this statement describe you or your situation?</p> <ol style="list-style-type: none">1. I could handle a major unexpected expense2. I am securing my financial future3. Because of my money situation, I feel like I will never have the things I want in life4. I can enjoy life because of the way I'm managing my money5. I am just getting by financially6. I am concerned that the money I have or will save won't last	<ul style="list-style-type: none">• Completely• Very well• Somewhat• Very little• Not at all
<p>How often does this statement apply to you?</p> <ol style="list-style-type: none">1. Giving a gift for a wedding, birthday or other occasion would put a strain on my finances for the month2. I have money left over at the end of the month3. I am behind with my finances4. My finances control my life	<ul style="list-style-type: none">• Always• Often• Sometimes• Rarely• Never

Available at www.consumerfinance.gov/financial-well-being










We modeled how children develop the building blocks for adult financial well-being

- ❑ **Analysis of consumer interview transcripts** from the well-being research to understand experiences in youth that contribute to financial identities and values
- ❑ **Extensive review of published academic research**
- ❑ **Consultation with national experts** from a variety of disciplines to gain more insights

Financial capability building blocks

	1 Executive function	2 Financial habits and norms	3 Financial knowledge & decision-making skills
What it is	Self-control, working memory, problem-solving	Healthy money habits, norms, rules of thumb	Factual knowledge, research and analysis skills
What it supports in adulthood	Future orientation, perseverance, planning and goal setting, general cognitive flexibility	Decision shortcuts for navigating day-to- day financial life and effective routine money management	Deliberate financial decision-making strategies, like financial planning, research, and intentional decisions
Examples of financial application	Saving, setting financial goals, developing and executing budgets	Having a system to pay bills on time	Effective comparison shopping

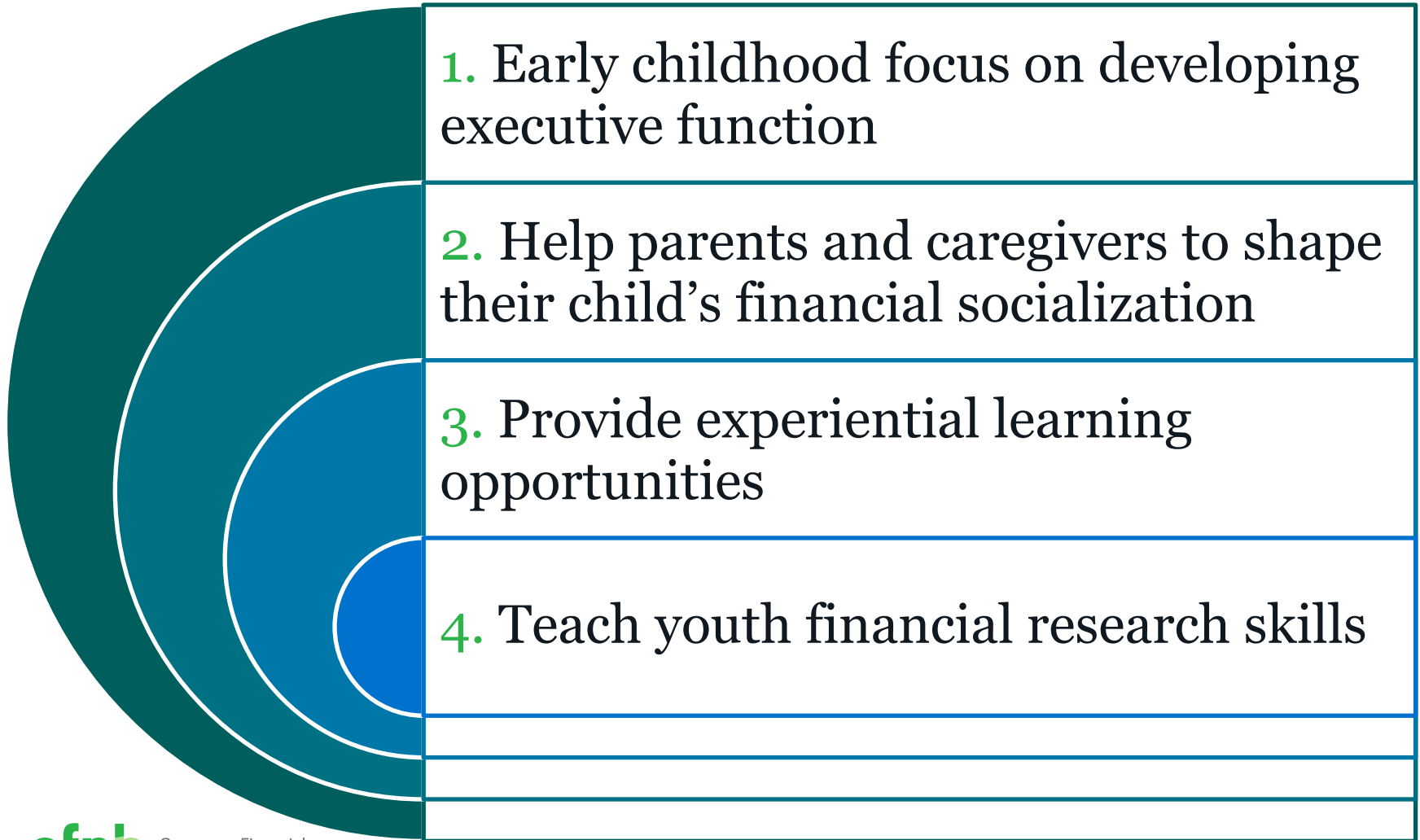
Development is a continuous process

	1. Executive function <i>Self-control, working memory, problem solving</i>	2. Financial habits and norms <i>Healthy money habits, norms, rules of thumb</i>	3. Financial knowledge and decision making skills <i>Factual knowledge, research and analysis skills</i>
Early childhood (ages 3–5)		Early values and norms	Basic numeracy
Middle childhood (ages 6–12)	  	 	 Basic money management 
Adolescence and young adulthood (ages 13–21)	Development continues	Development continues	

Recommendations

For implementing the child
developmental building
blocks

Four strategies that support youth financial capability



Early childhood: Focus on executive function

- Executive function refers to mental processes that enable us to plan, focus attention, remember instructions, and juggle multiple tasks successfully
- It is critical to achieving financial well-being
- Executive function training in financial contexts includes: imaginary play and play-based learning activities where kids set goals and manage resources (e.g. grocery list and buying food)

Middle childhood: help parents/caregivers support child's financial socialization

- Financial socialization is an ongoing process by which children and youth develop the financial attitudes, habits, and norms that guide their financial behaviors
- Children develop values, norms, and habits through observation of peers and adults
- Middle childhood is a good window of opportunity for parents to explicitly teach and model healthy financial values and behaviors
- For example: involving children in routine financial activities such as setting a budget and helping them to make small spending decisions

Provide experiential learning opportunities throughout childhood and youth

- Experiential learning opportunities support financial capability by encouraging children and youth to take initiative, make decisions, experience the results of their choices in a safe environment, and learn through reflection
- Explicit instruction in personal finance should be complemented with experiential learning opportunities
- Experiential learning is useful at all stages of child development

Teach youth financial research skills

- Most major financial decisions that adults make require gathering information through research, using the information to consider trade-offs, and acting on that information in a way that serves life goals
- Youth with financial research skills can become more flexible and adaptable consumers who are able to navigate changing financial markets and situations over their life course
- Financial research skills can be taught in middle childhood, adolescence, and young adulthood

Bringing it all together

- This new research provides evidence-based insights and promising strategies
- Defines what children need to learn and when
- Children and youth need a broader set of developmental building blocks that can be acquired and honed in the home, schools, out of school programs, and in the workplace
- Thus, schools, parents, youth programs, policymakers, and financial institutions all have an important role

How we're putting this research into practice

- Money as you grow
- Money as you grow book club
- Youth personal finance pedagogy
- FDIC partnership
- Future work in child savings

Talk to the Bureau's Experts: Learn More

Sunaena K. Lehil - Senior Policy and Innovation Analyst

Sunaena.lehil@cfpb.gov

Leslie Jones - Youth Financial Education Analyst

Leslie.jones@cfpb.gov

Lyn Haralson - Financial Education Program Analyst

Lyn.haralson@cfpb.gov

Email k12financialeducation@cfpb.gov to sign up

www.consumerfinance.gov/youth-financial-education

www.consumerfinance.gov/adult-financial-education



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FDIC Youth Savings Pilot

- **Goal: highlight promising ways to combine financial education & savings accounts for school-aged children**
- **Collaboration with FLEC and CFPB**
- **Two Phases – 21 participating banks**
 - I: 2014-2016 Academic Year (existing programs)
 - II: 2015-2016 Academic Year (new or expanded programs)



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OCTOBER 21, 2016

Pilot Methodology

- **Selection process**
- **Participants engaged by:**
 - More than 100 informational sessions with banks and partners (schools and nonprofit organizations)
 - 6 group calls with all bank participants
 - 1 site visit
 - Periodic e-mail updates



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OCTOBER 21, 2016

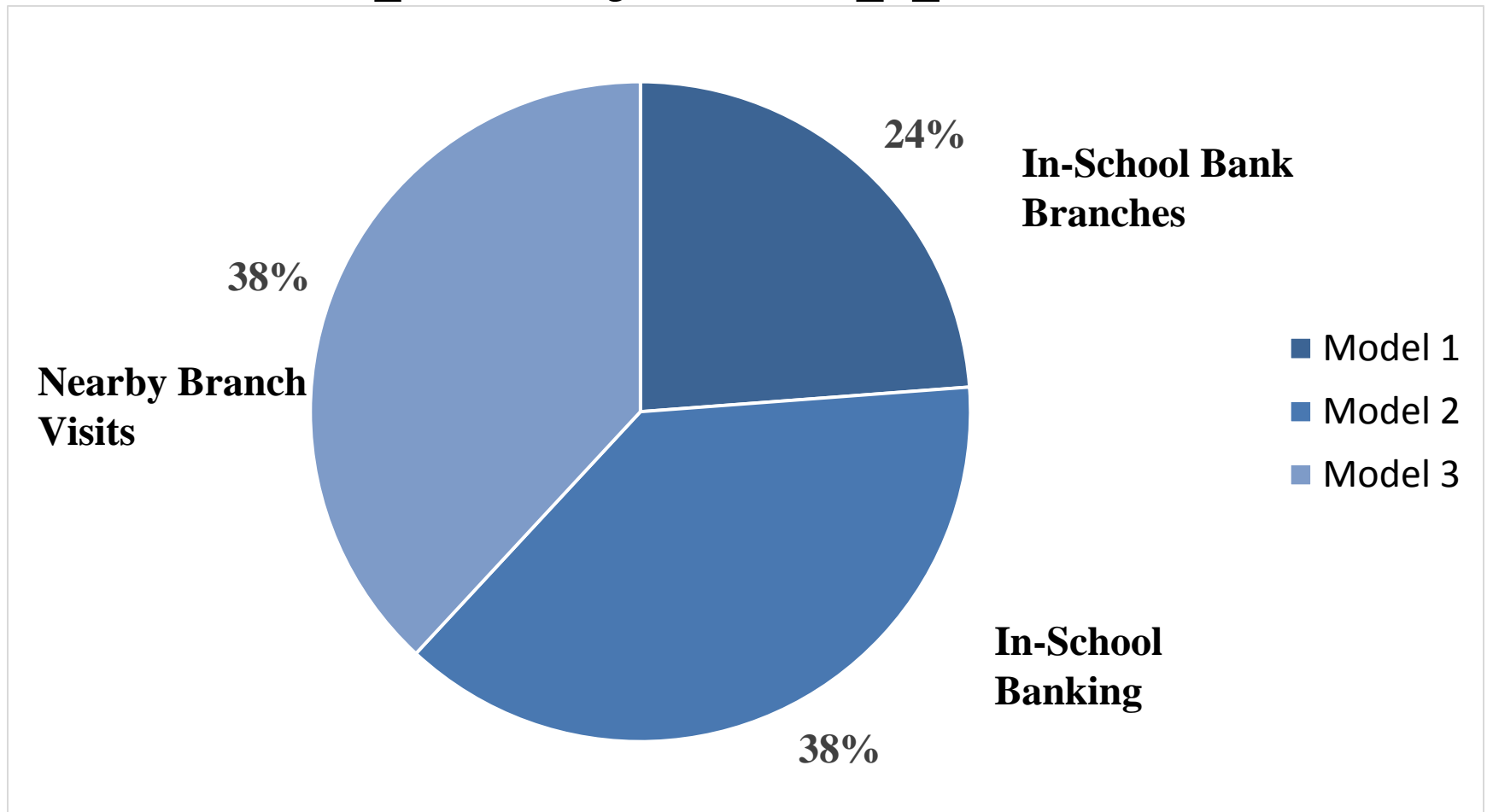
Model Approaches

- **Three approaches**
 1. School Branches
 2. In-School Banking (activities in school common areas on designated days)
 3. Nearby Branch Visits (with school-based financial education)
- **Not mutually exclusive**
- **All approaches interact with local branches**



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Frequency of Approaches





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Developing Collaborations

- **Successful Strategies**
 - Leveraging existing connections with teachers, administrators or school boards
 - Working with third-party intermediaries that have existing programs with/for schools
 - Identifying and supporting school champions
- **On-going Challenges**
 - Organizing schedule for the classroom
 - Getting parent buy-in for student banking
 - Addressing student transitions



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Account Characteristics

- **More than 4,500 new savings accounts**
- **Ownership structure varied**
 - Non-Custodial
 - Custodial (parent/guardian)
 - Custodial (school, nonprofit, or other 3rd party)
- **Ways to open and keep accounts**
 - Incentives
 - Mobile technology
 - Student transitions



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Financial Education Delivery

- **Delivery Approaches**
 - Formal instruction
 - Peer-based
 - Just-in-time information sharing
- **Consensus on fun and interactive approaches**
- **Teacher involvement**
- **Role of bank**



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Financial Education Delivery

- **Some banks enhanced existing financial education at a school; others introduced financial education to their schools**
 - Integration with social studies or math
 - Complementing savings goals
- **Variety of curricula, including Money Smart for Young People**



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Reasons Banks & Partners Participate

- **Reported benefits include:**
 - Staff satisfaction and community goodwill
 - CRA credit for predominantly LMI Schools
 - Building a pipeline of future customers
 - Developing account relationships with school staff, students, parents, and others
 - Improving financial skills, knowledge, and attitudes of students
 - Enhancing general academic performance



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Program Elements

- **Contributions reported by banks**
 - Staff time
 - Materials
 - Marketing
 - Monetary incentives
 - Account set-up
- **Partner contributions**
 - Staff time
 - In-kind services (e.g., space)
 - Account matching (e.g. college savings)



Montecito
Bank & Trust[®]

Community Banking at its *Best*



41
YEARS



10
LOCATIONS



2
COUNTIES



SINGLE
SHARE-
HOLDER

VOLUNTEERS 2015

2 4 3 4



Total
Hours

95 Groups



Volunteered
with in 2015

\$1.3

MILLION

Non-profit
Donations

Financial Literacy



217

EMPLOYEES

440 hours
+ 3,000
students
served



Create meaningful
partnerships with local
schools and nonprofits



Increase
financial
knowledge in
our community

Banking on our Youth

- Started with Teach Children to Save Day in 2006
- Expanded to year-round in 2011
- Dedicated Financial Literacy Coordinator
 - United Way- Summer learning program
 - Partners In Education
 - Partnerships with local high schools
 - Bilingual workshops and classes
 - Serve parents, students and staff



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Dons Net Cafe

V
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United Way



New partnership- *Head Start Savings*

Partners= Local Foundation + Schools + Parents

4 weeks of student classes | 1-3 hours for parents

No fee savings account | \$50 deposit provided

6 months | \$25 savings incentive

Results...

5 schools

230 students taught

60 parents

75 accounts opened

\$3,750 initial balance

\$12,387 current balance

Thank You!

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Solvang • Goleta • Santa Barbara • Montecito
Carpinteria • Ventura • Camarillo • Westlake





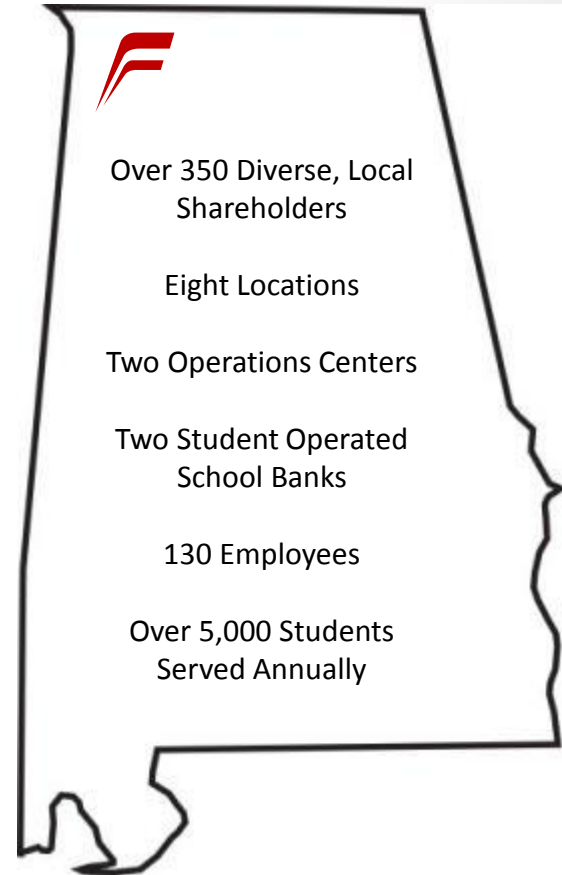
Alana Parker
Education & Training Director
CRA Officer

First Metro Bank

Formed in 1988 in Muscle Shoals, Alabama
17th Largest State-Chartered Bank in Alabama
\$570M Assets - \$360M Loans
Efficiency Ratio 45.26% - 7th in Alabama
Asset Quality 0.42% - 8th in Alabama
ROA 1.42% - 7th in Alabama
ROE 12.87% - 7th in Alabama
Ranked 2nd in Overall Performance

Three-County Assessment Area

- MSA – Florence-Muscle Shoals (estimated population - 147,000)
EMFI \$54,200
Made up of Colbert and Lauderdale Counties
Colbert – 14 census tracts ranging from low to high
Lauderdale – 22 census tracts ranging from low to high
The majority of census tracts in this MSA are designated as middle income (\$43,360 to \$65,039)
- NMSA – Franklin County (estimated population - 31,000)
EMFI \$46,300
Distressed/Underserved
Nine census tracts all designated as middle income (\$37,040 to \$55,559)
- 51 schools located within our assessment area
Includes public, private, city and county schools
Includes elementary schools, middle schools, high schools and career-tech schools



Financial Literacy Outreach

- Began in 2007
- Get Smart About Credit Day
- Teach Children to Save Day
- CHOICES Program
- Falcon Branch/Trojan Branch
- Over 5,000 Students Reached Annually
- Find a way to say yes!



The School Branches



**Student
Tellers**

**Student Teller
Training**



The Details

- Student Teller Requirements
 - 11th or 12th grade
 - Completion of prerequisite classes as determined by school
 - No major disciplinary issues
 - Timely completion of Student Teller Application
 - Interview with teacher and FMB Human Resources Director
- Student Branch Capabilities
 - Open savings/checking accounts
 - Deposits/withdrawals
 - Change requests
 - Financial literacy outreach



The Account

- Savings account created for student savers
- \$1 minimum account balance
- No maintenance fees
- ATM card
- Web Statements
- Mobile Banking
- Online Banking
- No joint owner required for persons age 15 or older
- Continual monitoring of excessive transactions
- Excessive transaction training





Contact Information:

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Rue Jr. Jacket Branch



Jennifer Plummer
Rue Elementary

Demographics

- Located in Council Bluffs, IA-population 61,969
- Part of the Council Bluffs Community School District-over 9,000 students
- 11 elementary, 2 middle, and 2 high schools; 1 alternative learning center and 1 career & college center
- Rue Elementary, 330 students, PK-5
- Free-reduced lunch-district (64%), Rue (69%)



Our Journey to the Jr. Jacket Branch

- Initial planning with UNO Center for Economic Education, TS Bank, school officials-May 2012
- Set up, building teller station, interview/train tellers, visit high school branch-2012-2013 year
- Grand Opening-September 2013



First Year of Banking 2013-2014

40% Student Participation

Aggregate Deposit Amount: \$6,199



Second Year of Banking 2014-2015

45% Student Participation

Aggregate Deposit Amount:
\$10,155



Third Year of Banking 2015-2016

42% Student Participation

Aggregate Deposit Amount: \$7,167



Reasons for Growth

- Weekly support from the TS Bank staff and the TJ High School tellers
- Parent volunteers
- Support from Rue principal and Superintendent
- Communication with parents through social media, Friday folders, weekly announcements, and back to school nights (interpreter)
- Incentive levels
- Matching funds days
- Parents now understand about our bank and how it works
- Financial literacy lessons from TS Bank
- Biztown and Stock Market after school clubs by TS Bank
- Guest speaker, Ben Franklin, during Money Smart Week along with activities





- TS Bank provides...
- Financial Literacy lessons in the classroom
 - Stock Market Club
 - Biztown
 - Young Entrepreneurs

Banking Opportunities in Our District

Bloomer Elementary-opened 2011

Thomas Jefferson High School-opened September 2012

Hoover Elementary-opened 2013

Rue Elementary-opened September 2013

Wilson Middle School-opened September 2015

Franklin Elementary-opened November 2015

Roosevelt Elementary-opened April 2016

Edison Elementary-opening Fall 2016

Carter Lake Elementary-opening January 2017

College View Elementary-opening January 2017

Our district offers a K-12 banking program through TS Bank

